

**Introduced by Senator Machado**

February 22, 2005

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An act to amend Section 480.4 of the Revenue and Taxation Code, relating to taxation.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 805, as introduced, Machado. Property taxation: preliminary change of ownership report.

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975–76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. Existing property tax law, in the case of any change in ownership of real property, or a manufactured home, as specified, requires each transferee to complete and file, subject to certain exceptions, a form entitled "Preliminary Change of Ownership Report," as prescribed, whenever any documents affecting a change in ownership are recorded with the county recorder, as provided.

This bill would revise that form by deleting its existing format and, instead, authorizing the State Board of Equalization, as provided, to prescribe, after consultation with the California Assessors' Association, the type of information that must be submitted under penalty of perjury by a transferee of real property.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 480.4 of the Revenue and Taxation  
2     Code is amended to read:  
3     480.4. (a) The preliminary change of ownership report  
4     referred to in Section 480.3 shall be *signed by a transferee of real*  
5     *property, or an officer of the transferee, under penalty of perjury*  
6     *and shall provide the information relevant to the transfer, as*  
7     *prescribed by the State Board of Equalization. The information*  
8     *shall include, but not limited to, a description of the property, the*  
9     *parties to the transaction, the date of acquisition, the amount, if*  
10    *any, of the consideration paid for the property, whether paid in*  
11    *money or otherwise, and the terms of the transaction. The*  
12    *preliminary change in ownership report shall not include any*  
13    *question that is not germane to the assessment. in-substantially*  
14    ~~the following form:~~

1  
2 NOTE TO PRINTING OFFICE: INSERT CAMERA-READY  
3 COPY HERE  
4 for Preliminary Change of Ownership Report  
5 as printed on pages 44-46 of Chapter 775, Statutes of 2002





1 (b) The State Board of Equalization ~~may revise~~ *shall*  
2 *prescribe, after consultation with the California Assessors'*  
3 *Association,* the preliminary change of ownership report, as  
4 necessary, for the purpose of maintaining statewide uniformity in  
5 the contents of the report.

6 ~~(c) This section shall become operative on July 1, 1991.~~

7 SEC. 2. No reimbursement is required by this act pursuant to  
8 Section 6 of Article XIII B of the California Constitution because  
9 the only costs that may be incurred by a local agency or school  
10 district will be incurred because this act creates a new crime or  
11 infraction, eliminates a crime or infraction, or changes the  
12 penalty for a crime or infraction, within the meaning of Section  
13 17556 of the Government Code, or changes the definition of a  
14 crime within the meaning of Section 6 of Article XIII B of the  
15 California Constitution.